



A STUDY ON IMPACT ASSESSMENT OF CULTURE AND CLIMATE PREVAILING IN IT COMPANIES SITUATED IN COIMBATORE

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Cite This Article: K. Sasikumar & Dr. S. Usha, "A Study on Impact Assessment of Culture and Climate Prevailing in IT Companies Situated in Coimbatore", *International Journal of Current Research and Modern Education*, Volume 2, Issue 2, Page Number 159-163, 2017.

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Abstract:

Climate and culture are both important aspects of the overall context, environment or situation. Organizational culture tends to be shared by all or most members of some social group; is something that older members usually try to pass on to younger members; shapes behavior and structures perceptions of the world. The study is about analyzing the Organizational climate of IT and it is companies been done through surveying the employees of the company. The study was analyzed by using percentage analysis, chi square method, and factor analysis and the conclusion is that the performance on organizational climate seems good but new training and development programs should be conducted by the company so that the conflict between the management and the employees can be reduced which may lead to increase in the production and profit of the company.

Key Words: Organizational Climate, Production & Environment

Introduction to the Concept of Study:

Organizational Climate is a very popular subject for research in the domain of industrial and organizational psychology. The origin and the use of the specific term are found to be as old as the original concept of management itself. Organizational climate (sometimes known as Corporate Climate) is the process of quantifying the "culture" of an organization. It is a set of properties of the work environment, perceived directly or indirectly by the employees, that is assumed to be a major force in influencing employee behavior.

Climate and culture are both important aspects of the overall context, environment or situation. Organizational culture tends to be shared by all or most members of some social group; is something that older members usually try to pass on to younger members; shapes behavior and structures perceptions of the world. Cultures are often studied and understood at a national level, such as the American or French culture. Culture includes deeply held values, beliefs and assumptions, symbols, heroes, and rituals. Culture can be examined at an organizational level as well. The main distinction between organizational and national culture is that people can choose to join a place of work, but are usually born into a national culture.

Review of Literature:

Altman (2000) in their study organizational climate contained two main contradictions, first, related to ontological issues, which include theories of organizational climate and secondly, related to values, norms and belief system.

Denison (2000) in his study there are four attributes of an organization's climate are: (1) a Supportive climate, (2) a climate of risk taking, (3) a climate of cohesiveness, and (4) a climate with the motivation to achieve (Denison, 1996). The four elements described here have been thought to promote job satisfaction and increase motivation at individual and organizational levels. Motivation is something (as a need or desire) that causes a person to act (Merriam-Webster, 2004). An organization with a climate that has the motivation to achieve means that the environment of the organization is one in which there is a strong need or desire to achieve and this is demonstrated in the collective behaviors of individuals.

Statement of the Problem:

Organizations derive number of benefits from developing strong and productive cultures like Better aligning the company towards achieving its vision, mission, and goals; High employee motivation and loyalty; Increased team cohesiveness among the company's various departments and divisions; Promoting consistency and encouraging coordination and control within the company, etc. A strong culture may be especially beneficial to firms operating in the service sector since members of these organizations are responsible for delivering the service and for evaluations important constituents make about firms. This has motivated the researcher to undertake a study on the topic "A Study On Organization Climate And Culture And Its Impact On Employees At Vi Solutions"

Objectives of the Study:

- ✓ To study about the factors that contributes to the establishment of organizational climate.

- ✓ To analyse the employee satisfaction with regard to the present organisational culture and climate.
- ✓ To find out the corrective measures to be taken by the management to improve the present organisational culture and climate.

Need of the Study:

The study is conducted at Vi Solutions. The employees were taken as samples. Employees' satisfaction with regard to the following The Paradigm, the Control Systems, Organizational Structures, the Power Structures, and the Rituals and Routines were analyzed. Employees' opinion with regard to the corrective measures to be taken by the management to improve the present organizational culture and climate is also a part of the study.

Methodology:

Sampling Design/Techniques:

Sample Size:

150 employees who work with IT companies

Data Collection Method:

The primary source of data was collected from the employee collected through questionnaire. The secondary data was collected referring to the personnel manual of the organization.

Statistical Tools:

To analyze the data the following tools were applied:

- ✓ Simple percentage analysis
- ✓ Chi square test
- ✓ Factor Analysis

Limitations:

- ✓ Personal bias, if any, of the respondents may affect the result of the study.
- ✓ The study is based on employee's attitude and opinions. Attitude may change.
- ✓ Few employees had hesitated to co-operate the study based on their illusion.

Analysis and Interpretation:

		Frequency	Percent
Age	Below 25	18	15
	25-35 years	35	29.2
	36-45 years	42	35
	Above 45 years	25	20.8
	Total	120	100
Gender	Male	93	77.5
	Female	27	22.5
	Total	120	100
Educational qualification	SSLC	16	13.3
	Diploma	19	15.8
	HSC	42	35
	Degree holders	43	35.8
	Total	120	100
Income per month	Below 5000	16	13.3
	5001-10000	66	55
	10001-12000	19	15.8
	Above 12000	19	15.8
	Total	120	100
Working environment	Satisfied	43	35.8
	Highly satisfied	43	35.8
	Neither satisfied nor dissatisfied	17	14.2
	Dissatisfied	12	10
	Highly dissatisfied	5	4.2
	Total	120	100
Clean and comfortable with necessary equipments	Satisfied	20	16.7
	Highly satisfied	51	42.5
	Neither satisfied nor dissatisfied	31	25.8
	Dissatisfied	8	6.7
	Highly dissatisfied	10	8.3
	Total	120	100
Good balance between work and other aspects	Satisfied	10	8.3
	Highly satisfied	14	11.7

	Neither satisfied nor dissatisfied	32	26.7
	Dissatisfied	47	39.2
	Highly dissatisfied	17	14.2
	Total	120	100
Superior guidance	Satisfied	63	52.5
	Highly satisfied	14	11.7
	Neither satisfied nor dissatisfied	18	15
	Dissatisfied	12	10
	Highly dissatisfied	13	10.8
	Total	120	100
Feedback provided by supervisor	Satisfied	19	15.8
	Highly satisfied	18	15
	Neither satisfied nor dissatisfied	41	34.2
	Dissatisfied	16	13.3
	Highly dissatisfied	26	21.7
	Total	120	100
Technological changes is viewed as a challenge and an opportunity	Almost always	42	35
	Often	15	12.5
	Sometimes	39	32.5
	Almost never	24	20
	Total	120	100

Out of 120 respondents 35% are in the age group of 36-45 years, 29.2% are in the age group of 25-35 years, 20.8% are in the age group of above 45 years and 15% are in the age group of below 25 years. 77.5% are male employees and 22.5% are female. 35.8% are degree holders, 35% are HSC, 15.8% are diploma and 13.3% are SSLC. 55% are getting 5001-10000, 15.8% are getting 10001-12000 and above 12000 and 13.3% are getting below 5000. 35.8% say they are satisfied and highly satisfied with the working environment, 14.2% are neither satisfied nor dissatisfied, 10% are dissatisfied and 4.2% says highly dissatisfied. 42.5% are highly satisfied with the clean and comfortable with the necessary equipments, 25.8% says neither satisfied nor dissatisfied, 16.7% are satisfied, 8.3% are highly satisfied and 6.7% are dissatisfied. 39.3% are dissatisfied with the Good balance between work and other aspects, 26.7% are neither satisfied nor dissatisfied, 14.2% are highly dissatisfied, 11.7% says they are highly satisfied, and 8.3% are satisfied. 52.5% are satisfied with the superior guidance, 15% are neither satisfied nor dissatisfied, 11.7% are highly satisfied, 10.8% are highly dissatisfied and 10% are dissatisfied. 34.2% are neither satisfied nor dissatisfied, 21.7% says highly dissatisfied, 15.8% are satisfied, 15% are highly satisfied and 13.3% are dissatisfied. 35% says almost always a Technological change is viewed as a challenge and an opportunity, 32.5% says sometimes, 20% says almost never and 12.5% says often.

Chi Square Test:

Age and Working Environment:

The hypothesis framed for analyzing the relationship between age and working environment of the employees in the companies.

H0: There is no significant relationship between age and working environment.

H1: There is significant relationship between age and working environment.

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.955 ^a	12	.117

From the above table it can be inferred that the significance value is 0.117 which is greater than 0.05 so there is no significant relationship exists between the between age and working environment.

Factor Analysis:

A total of 24 variables were identified for the purpose of collecting expectations from the employees. In order to reduce the number of variables and to identify the key factors contributing towards the organization climate and factor analysis is performed.

Component Matrix ^a									
	Component								
	1	2	3	4	5	6	7	8	9
Income per month (in Rs)	-.185	.122	-.202	-.524	-.130	-.133	.161	.144	-.158
Working Environment	-.036	-.438	-.125	-.101	.464	-.028	.227	.205	-.131

Clean And Comfortable With Necessary Equipments	-.202	-.453	.425	-.045	.063	.205	-.204	-.108	.275
Good balance between work and other aspects	.119	.289	.496	.178	-.196	-.128	.277	.185	.176
Superior guidance	-.261	-.080	-.059	.521	-.009	.349	-.140	.220	.140
Feedback provided by supervisor	.019	.386	.280	.059	-.038	-.218	.597	.027	.083
Cooperation with my team members	-.077	.129	-.580	.227	-.091	.337	.079	.000	.122
Department makes a valuable contribution to the company	.112	-.292	.311	.434	.016	.017	.083	.206	-.398
Communication with other departments	.272	-.348	-.303	.057	.416	.033	.025	-.071	.126
Flexibility to meet personal/family requirement	-.093	.182	.327	.279	.235	.268	.332	-.206	.002
Management is aware of department functions	-.402	-.280	-.063	.143	-.150	-.366	.231	.401	-.153
Management treats employees with respect.	-.149	.082	.414	-.319	.068	.297	.056	.033	.208
Recognition for innovative ideas	.473	.081	-.192	-.281	.091	.030	.147	.053	.272
Satisfaction with pay and benefits	-.040	.182	.351	.125	.446	-.287	-.312	-.176	-.369
Promotions based on performance	-.248	.033	.302	-.183	-.065	-.232	-.389	.318	.278
Job is made interesting	.877	-.242	.199	.052	-.078	.046	.049	.033	.049
Goals set are realistic	.877	-.257	.183	.033	-.103	.038	.049	.032	.039
Autonomy in work	.353	.249	-.096	.000	.466	-.019	-.164	.404	-.102
Job instructions are clear	-.394	-.147	.125	-.129	.480	-.009	.301	-.351	.083
Performance Appraisal is conducted in an objective manner	-.133	.168	-.084	-.120	.167	.550	.223	.395	-.138
Feedback provided by supervisor helps in improvement	-.025	-.088	.381	-.444	.144	.264	-.090	.269	-.066
Opinion about the Interpersonal relationship with other workers	.020	.019	-.195	.155	.397	-.478	.061	.178	.472
Opinion about the relationship with Supervisors	.357	.580	-.097	-.179	.110	.001	-.079	-.124	-.237
Opinion about the relationship with the Management	-.017	.629	.066	.302	.199	.104	-.232	.106	.170

From the above table, factors above the values above 0.5 are considered and from the filtered variables the variables with common values are been taken in to consideration for decision making process. They are Job is made interesting, Goals set are realistic.

Findings:

- ✓ Most of the people are in the age group of 36-45 years.
- ✓ The male employees are high in this serve.
- ✓ Most of the respondents are degree holders in the company.
- ✓ Most of the people are getting salary from 5001-10000 in the company.
- ✓ Most of the people says they satisfied and highly satisfied with the working environment.
- ✓ Most of the people are highly satisfied with the clean and comfortable with the necessary equipments.

Suggestions:

- ✓ Most of the respondents in our study are male and they belong to the age group of 36-45 years. So the decision making on human resource climate in the company can be made in consideration with this group of people.
- ✓ The satisfaction level on work environment shows that less than 50% of the employees are been satisfied which lead to decrease in production. So training programs can be conducted to increase the satisfaction of the employees which may lead to increase in the production of the company.
- ✓ Most of the people are dissatisfied with the good balance between work and other aspects. So personal care on employee welfare should be taken to reduce the conflict and to increase the relation among each employees of the company.

Conclusion:

The conclusion is that the performance on organizational climate seems good but new training and development programs should be conducted by the company so that the conflict between the management and the employees can be reduced which may lead to increase in the production and profit of the company.

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